

TRANSPORTATION CORPORATION OF AMERICA

TELEPHONES: ①

P. O. BOX 218 CHICAGO HEIGHTS, ILLINOIS 60411

Chicago Hts. - 757-5900

Date: March 14, 1980

11590

No. **0-079A037**

RECORDATION NO. Filed 1425

Interstate Commerce Commission
Recordation Clerk
Room 1211

Date MAR 19 1980

Fee \$ 50.00

12th & Constitution Ave., INTERSTATE COMMERCE COMMISSION
Washington, D.C. 20423

ICC Washington, D. C.

Gentlemen:

Enclosed for recordation under the provision of Section 20(c) of the Interstate Commerce Act, as amended, are ~~five~~^{SIX} (⁶) copies of the following:

Lease Agreement No. 101579 dated October 15, 1979
Rider No. _____ dated _____
between TRANSPORTATION CORPORATION OF AMERICA and
SUBLETTE CO-OP, INC.
Recordation No. New
No. of Cars: FIVE (5)
Description of Cars: Covered Hopper (10)
Car Numbers: TCAX 60307 thru 60311, both incl.

The names and address of the parties hereto are as follows:

Lessor:

Lessee:

Transportation Corporation of America
P. O. Box 218
Chicago Heights, IL 60411

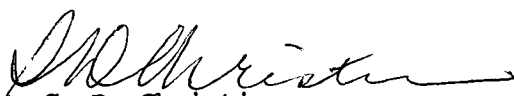
Sublette Co-Op, Inc.
Sublette,
Kansas

The undersigned is the Vice President-Finance of Transportation Corporation of America and has knowledge of the matters set forth within the enclosed documents. Kindly record and thereafter return to S. D. Christianson, Transportation Corporation of America, P. O. Box 218, Chicago Heights, Illinois 60411, the remaining ~~four~~^{FIVE} copies of the enclosed document, marked "Recorded".

Attached hereto is a remittance in the sum of \$50.00 covering the required Recording Fee.

Cordially,

TRANSPORTATION CORPORATION OF AMERICA


S. D. Christianson
Vice President - Finance

dk
Enclosures

RECEIVED
MAR 19 2 07 PM '80
I.C.C.
FEE OPERATION BR.

Interstate Commerce Commission
Washington, D.C. 20423

3/120/80

OFFICE OF THE SECRETARY

S.D. Christianson
Vice President-Finance
Transportation Corp. of America
P.O.Box 218
Chicago, Illinois 60411

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **3/19/80** at **2:10pm**, and assigned re-recording number(s). **11590 & 11591**

Sincerely yours,


Agatha L. Mergenovich
Secretary

Enclosure(s)

LEASE AGREEMENT

This AGREEMENT, No. 101579, made and entered into October 15, 1979, by and between TRANSPORTATION CORPORATION OF AMERICA, an Illinois Corporation, Box 218, Chicago Heights, Illinois, (herein called "LESSOR") and

Sublette Co-Op, Inc. Sublette, Kansas

11590
RECORDATION NO. Filed 1425

a Kansas Corporation, (herein called "LESSEE").

MAR 19 1980 2 10 31

INTERSTATE COMMERCE COMMISSION

WITNESSETH:

Description of Leased Cars:

(1) LESSOR agrees to furnish to the LESSEE, and the LESSEE agrees to rent from LESSOR the cars specified within Attachment A which is affixed hereto and made a part hereof, and such additional Riders as may be added hereto from time to time by agreement of the parties and signed by their duly authorized representatives. Each attachment shall set forth a brief description of the car, or cars, covered thereby including such facts as: number of cars, car numbers, the A.A.R. or I.C.C. specification, cubic capacity, truck capacity, delivery point, rental, commodity service, term throughout which the cars shall remain in LESSEE'S service, and other pertinent information that may be desired by both parties.

Use of Cars:

(2) LESSEE agrees to use said cars within the continental limits of the United States and Canada (any use in Canada shall be incidental and temporary) for the transportation of the commodities ("Commodity Service") stated in Attachment A applicable to said cars; and that said cars will at all times be used and operated in compliance with all lawful acts, rules, regulations and orders; and further agrees upon the expiration or termination of the Rental Term ("Rental Term") applicable to such cars set forth in Attachment A to cause said cars to be returned to LESSOR at its plant in Chicago Heights, Illinois, in the same, or as good, condition in which they were furnished, except for ordinary wear and tear. LESSEE will not in any way alter the physical structure of the cars without the approval in writing of LESSOR.

Rent:

(3) LESSEE agrees to pay LESSOR the Fixed Rental ("Fixed Rental") stated in Attachment A from the date each car is delivered as specified in Attachment A and until cars are delivered to LESSOR upon expiration of the Rental Term specified in Attachment A. Such rentals shall be paid to TRANSPORTATION CORPORATION OF AMERICA, Box 218, Chicago Heights, Illinois, or such other place as the LESSOR or its Assignees may hereafter direct. Payment will be made in advance on the first day of every month during the term, except that LESSEE shall pay in advance, on delivery of the cars, the pro rata of one month's rent for the period intervening the date of delivery and the first day of the next succeeding month. As additional rent the LESSOR shall retain all the Mileage Earned in Excess of Fixed Rental as specified within Paragraph 7(b) hereof.

Term of Lease:

(4) This AGREEMENT shall be effective as of the date first set forth hereinabove and shall expire upon expiration of the Rental Term of the last car, or cars, covered hereunder. The Rental Term for each car shall be as specified within Attachment A.

Repair and Maintenance:

(5) (a) LESSEE shall notify LESSOR within three (3) full business days following knowledge of any damage to any of the cars. LESSOR agrees to pay for the maintenance and repair of said cars; but it will not pay for repairs made to said cars in excess of the basis of Association of American Railroads interchange rules (unless LESSOR gives LESSEE prior written approval for any such excess repairs). No repairs to any of the cars shall be made by the LESSEE for LESSOR'S account without LESSOR'S prior written consent. If any of the cars become unfit for service and shall be held in railroad or car shops for repairs, and shall remain therein for a period in excess of five (5) days, service charges hereunder covering any such cars payable by LESSEE to LESSOR shall cease from and after the date of delivery of such car to such railroad or car shop for repairs until such car is released from the shop or until another car shall have been placed in the service of LESSEE by LESSOR in substitution for such car undergoing repairs.

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(b) LESSOR shall retain all mileage earned in excess of monthly rental due from LESSEE ("Mileage Earned in Excess of Fixed Rental"). LESSEE shall not permit any car to be used in unit train service unless consented to in writing by LESSOR.

Payment of Taxes:

(8) During the term of this Lease Agreement the LESSEE shall, in addition to the rentals herein specified, pay all sales, use, rental and excise taxes, assessments and other governmental charges, whatsoever, whether payable by the LESSOR or the LESSEE, on or relating to this Lease Agreement or to the cars leased hereunder: the LESSEE shall be under no obligation to pay any such tax so long as it is being contested in good faith and by appropriate administrative or legal proceedings and any expense incurred by LESSOR in which LESSEE concurs with respect to contesting the applicability of such sales tax, rental tax or use tax to this Lease Agreement shall be for the account of LESSEE.

Marking of Cars:

(9) (a) The LESSOR shall plainly, permanently stencil the ownership legend on each new car in letters not less than one (1) inch in height, reading:

In the event any of the subject cars shall be damaged or destroyed by the railroads, the service charge on any such car shall cease on the date of such damage or destruction. When such damaged car has been forwarded to a shop for repair, the mileage earned by such car to and from the shop shall be retained by the LESSOR. LESSEE shall pay all costs, charges and expenses including freight and switching charges for movement at any time and from time to time to and from repair shops, storage or terminal facilities.

(b) LESSOR shall keep the cars in good order and repair, ordinary wear and tear excepted, comply with any additional requirements for safety appliances and construction as may hereafter be specified by American Association of Railroads and Interstate Commerce Commission and satisfactory for interchange in accordance with Association of American Railroads' rules, and all at its own cost and expense. LESSOR is not responsible to make any repairs until and unless notified by the LESSEE that such repair work is needed. LESSEE shall, at its expense, replace any removable parts, if lost, stolen or broken. If any physical change to the cars shall be required by any association or governmental rule, regulation or law, the LESSEE shall pay an additional monthly charge equal to \$1.50 per Car per month for each \$100.00 per Car cost incurred by the LESSOR so as to perform such changes, modifications or adjustments and such charge shall become effective upon the date of acceptance by a railroad of instructions to forward such Car to the LESSEE after such change, modification or adjustment has been accomplished.

(c) LESSOR may require LESSEE to return cars for preventive maintenance or repairs and may withdraw from this Lease any cars which LESSOR deems uneconomical to maintain or repair.

(d) LESSOR may, at any time and from time to time, replace any cars withdrawn from service under the terms of this Lease or which are lost, stolen or destroyed, with cars of like or similar specifications and such replacement cars shall be deemed to be subject to all terms and conditions of this Lease as if the same had been originally delivered to LESSEE at the time and at the place of the cars for which they are substituted. The parties agree to execute amendments to this Lease and such other and further documents as may be required by either party hereto so as to evidence the withdrawal, release or substitution of any cars in accordance with the terms of this Lease Agreement.

(e) In the event of the loss, destruction or irreparable damage to any of the cars from any cause whatsoever, except while in possession of LESSOR, during the continuance of this lease, the LESSEE shall promptly and fully inform the LESSOR in regard to such loss, destruction or damage. If any of said cars are damaged or destroyed on any privately owned track, LESSEE shall pay unto LESSOR the cost of repairing such damage, or replacing such lost or destroyed cars. In no case shall that amount exceed the depreciated valuation of such cars as provided for in the Interchange Rules of the Association of American Railroads.

Inspection: (6) LESSEE shall maintain a reasonable inspection schedule for each car. LESSEE shall indemnify and hold LESSOR harmless from any and all liability, loss, damage or claim therefor resulting from knowledge which the LESSEE shall have or should have had as a result of such reasonable inspection by the LESSEE.

Mileage and Per Diem Reports: (7) (a) The LESSOR shall collect and retain all mileage earned by said cars and credit same to the extent of rental to the account of the LESSEE when received from the railroads, and also the LESSOR shall keep all records pertaining to car movements. The LESSEE shall assist the LESSOR in following the movements of said cars by furnishing the LESSOR complete weekly reports of the movements of cars; both loaded and empty, giving destination, date of loading, and the routing of each movement. The LESSEE agrees so to use said cars that the mileage under load shall be equal to the mileage empty on each railroad over which they move. If, at the end of the Lease Term, the empty mileage on any railroad exceeds the loaded mileage, the LESSEE shall immediately upon being billed by the LESSOR, pay to the LESSOR for such excess at the loaded mileage rate. For purposes of this paragraph, the railroad mileage and junction reports received by LESSOR shall be prima facie evidence of the facts reported therein.

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Liens: (13) The LESSEE shall keep the cars free from any encumbrances or liens which may be a cloud upon, or otherwise affect, the LESSOR'S title or the interest of the assignee of the LESSOR.

Remedies: (14) Upon the happening of any of the events of default as hereinafter defined, the LESSOR or its Assignee may then, or at any time thereafter, take possession of the cars and any accessions thereto, wherever same may be found, and, at the election of the LESSOR or the Assignee as the case may be, either:

(a) declare this Lease Agreement terminated, in which event all rights of the parties hereunder shall cease except only the obligation of the LESSEE to pay accrued rentals to the date of retaking, or;

(19) LESSOR may, at its own cost and expense, take a physical inventory of each of the cars.

(20) The terms of this Lease Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Illinois, in which state it has been executed and delivered.

(21) LESSEE shall, at LESSEE'S cost, deliver to LESSOR such other acknowledgements, opinions of counsel, confirmations of lease and related documents as the LESSOR may reasonably request.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers and duly attested, as to the date first above written.

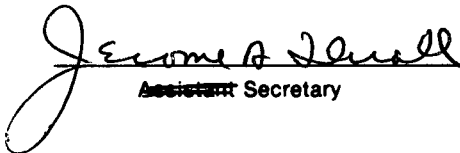
(Corporate Seal)

TRANSPORTATION CORPORATION OF AMERICA (LESSOR)

ATTEST:

By: _____


Vice President


Assistant Secretary

Sublette Co-Op, Inc.
Sublette, Kansas

(LESSEE)

By: _____


Vice President

ATTEST:


Secretary

STATE OF ILLINOIS)

) SS.

COUNTY OF COOK)

On this 14TH day of March 1980, before me personally appeared C. D. Wright, to me personally known who being by me duly sworn, says that he is a Vice President of TRANSPORTATION CORPORATION OF AMERICA, an Illinois corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Terza Loney
Notary Public

(SEAL)

My Commission Expires: 1-11-81

STATE OF KANSAS)

) SS.

COUNTY OF HASKELL)

On this 25th day of FEBRUARY, before me personally appeared H. E. TRIMPA, to me personally known who being by me duly sworn, says that he is VICE PRESIDENT of SUBLETTE COOPERATIVE, INC., an KANSAS corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Delores Koehn
Notary Public



(SEAL)

My Commission Expires: JUNE 22, 1980

CERTIFICATE OF INSPECTION AND ACCEPTANCE

TO: THRALL CAR MANUFACTURING COMPANY
 P. O. Box 218
 Chicago Heights, Illinois 60411

Gentlemen:

The undersigned duly appointed inspector and representative of
Sublette Co-Op, Inc. Sublette, Kansas (LESSEE)
hereby certifies that he has made a thorough examination of the following Railroad Cars
bearing numbers as follows:

| <u>QUANTITY</u> | <u>DESCRIPTION</u> | <u>CAR NUMBERS</u> |
|-----------------|--|---|
| Five (5) | 4750 Cu. Ft. Capacity 100-Ton Covered Hopper Cars | TCAX 60307 thru TCAX 60311, both inclusive |

and hereby accepts them for Lessee under and pursuant to that certain
Attachment A for Lease dated October 15, 1979 between TRANSPORTATION
CORPORATION OF AMERICA and LESSEE: that each of said Cars is plainly marked and
stenciled on both sides of each Car with the words:

Title to this car subject to documents filed with
the Interstate Commerce Commission.

in readily visible letters, not less than 1" in height; and that each of said Cars fully
complies with the requirements, standards and specifications referred to in said Lease.

Inspector for
Sublette Co-Op, Inc.
LESSEE Sublette, Kansas

Dated this _____ day of _____, 19____.

EXHIBIT "I"

TRANSPORTATION CORPORATION OF AMERICA - LESSOR

Sublette Co-Op, Inc.

Sublette, Kansas

- LESSEE

ATTACHMENT A

LEASE AGREEMENT NO. 101579 SAID LEASE AGREEMENT BEING DATED October 15, 1979

CAR NUMBERS: TCAX 60307 thru TCAX 60311, both inclusive

CAR OWNER'S MARKS: Title to this car subject to documents filed with the Interstate Commerce Commission.

COMMODITY SERVICE: Grain and Phosphate

CLASS OF CAR: Covered Hopper (LO)

NO. OF CARS: Five (5)

TRUCK CAPACITY: 100-Ton

CUBIC CAPACITY: 4750 Cu. Ft.

RENTAL TERM: Sixty (60) months

DELIVERY POINT: East Chicago, Indiana

DELIVERY PERIOD: Third Quarter, 1980

FIXED RENTAL: FIVE HUNDRED TWENTY-FIVE AND 00/100 DOLLARS (\$525.00) per car, per month, for sixty (60) consecutive months subject to adjustment and escalation as defined hereafter. The first payment shall be due on the sixtieth day immediately following the date on which the last car which is the subject of this Attachment is delivered to the LESSEE. Accordingly, the last rental payment shall be due on the sixtieth day immediately following the last day of the term of this lease.

ADJUSTMENT FOR EXCESS MILEAGE: If at the end of the Lease term, the LESSOR determines that the total mileage per car has exceeded 40,000 miles in any 12 month period, a charge of 2½¢ (\$.025) per mile for each mile in excess of 40,000 miles per car will be paid by the LESSEE.

ADJUSTMENT FOR ESCALATION IN PURCHASE PRICE OF CARS: The Rental per car, per month of \$525.00 will increase \$9.25 per \$1,000 increase in material and manufacturing costs after June 15, 1979, to the date of delivery.

MAINTENANCE ESCALATION: Commencing on the first day of the month following the month of change in the published AAR Car Repair Billing Freight Car Labor Rate, the monthly rental will be adjusted upward or downward to reflect changes in the AAR published hourly labor rate. The Rent will be so adjusted by \$1.01 per car, per month, for each one per cent (1%) or fraction thereof change in the AAR rate over the \$30.90 per hour rate in effect at July 1, 1979.

FRA INSPECTION: Any inspection charges resultant from FRA requirements are not covered by this lease and are to be paid by the LESSEE.

CERTIFICATE OF INSPECTION AND ACCEPTANCE: Exhibit "I" attached hereto and made a part hereof.